

FILED

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October 26, 2012

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DEPARTMENT OF REAL ESTATE

By *R. Jones*

STATE OF CALIFORNIA

DEPARTMENT OF REAL ESTATE

11 To:

12 YOLANDA RIOS and FRANCISCO RIOS,
13 doing business as GENESIS MORTGAGE
14 SOLUTIONS and CERTIFIED FORENSIC
15 LOAN AUDITS

No. H-2788 FR

ORDER TO DESIST AND REFRAIN
(B&P Code Section 10086)

16 The Commissioner of the California Department of Real Estate (Department)
17 caused an investigation to be made of the activities of YOLANDA RIOS and FRANCISCO
18 RIOS, doing business as GENESIS MORTGAGE SOLUTIONS and CERTIFIED FORENSIC
19 LOAN AUDITS. Based on that investigation, the Commissioner has determined that
20 YOLANDA RIOS, FRANCISCO RIOS, GENESIS MORTGAGE SOLUTIONS, and
21 CERTIFIED FORENSIC LOAN AUDITS have engaged in, are engaging in, or are attempting
22 to engage in, acts or practices constituting violations of the California Business and Professions
23 Code (Code) and/or Title 10, Chapter 6, California Code of Regulations (Regulations),
24 including the business of, acting in the capacity of, and/or advertising or assuming to act as, a
25 real estate broker in the State of California within the meaning of Sections 10131(d) (performing
26 services for borrowers and/or lenders in connection with loans secured by real property) and
27 10131.2 (real estate broker license required to charge and collect an advance fee) of the Code.

1 Furthermore, based on the investigation, the Commissioner hereby issues the following Findings
2 of Fact, Conclusions of Law, and Desist and Refrain Order under the authority of Section 10086
3 of the Code.

4 Whenever acts referred to below are attributed to GENESIS MORTGAGE
5 SOLUTIONS, and CERTIFIED FORENSIC LOAN AUDITS, those acts are alleged to have been
6 done by YOLANDA RIOS and FRANCISCO RIOS, acting by themselves, or by and/or through
7 one or more agents, associates, affiliates, and/or co-conspirators, and using the name "Genesis
8 Mortgage Solutions", "Certified Forensic Loan Audits", or other names or fictitious names
9 unknown at this time.

10 FINDINGS OF FACT

11 1. At all times mentioned, FRANCISCO RIOS was and is licensed by the
12 Department as a real estate salesperson. From on or about April 8, 2008, through November 25,
13 2009, FRANCISCO RIOS was licensed as a real estate salesperson under Edgewater Executive
14 Mortgage, Inc., a corporate real estate broker. From on or about December 31, 2010, to May 2,
15 2011, FRANCISCO RIOS was licensed as a real estate salesperson under 4 USA Loans, Inc., a
16 corporate real estate broker. From on or about May 11, 2011, to July 11, 2012, FRANCISCO
17 RIOS was licensed as a real estate salesperson under Renwick Penrose Russell, an individual real
18 estate broker. From on or about July 12, 2012, to the present, FRANCISCO RIOS has had no
19 broker affiliation.

20 2. From on or about July 8, 2006, to July 7, 2010, YOLANDA RIOS was
21 licensed by the Department as a real estate salesperson. Beginning on or about January 9, 2008,
22 YOLANDA RIOS' real estate salesperson license was suspended pursuant to Section 10153.4 of
23 the Code. At no time after July 7, 2010, was YOLANDA RIOS licensed by the Department in
24 any capacity. At no time mentioned was YOLANDA RIOS affiliated under any real estate
25 broker.

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1 3. At no time mentioned was CERTIFIED FORENSIC LOAN AUDITS
2 licensed by the Department in any capacity. CERTIFIED FORENSIC LOAN AUDITS is a
3 fictitious business name owned by FRANCISCO RIOS.

4 4. At no time mentioned was GENESIS MORTGAGE SOLUTIONS
5 licensed by the Department in any capacity. GENESIS MORTGAGE SOLUTIONS is a
6 fictitious business name owned by FRANCISCO RIOS and YOLANDA RIOS.

7 5. During the period of time set forth below, YOLANDA RIOS and
8 FRANCISCO RIOS, doing business as GENESIS MORTGAGE SOLUTIONS and CERTIFIED
9 FORENSIC LOAN AUDITS, and without the knowledge and consent of FRANCISCO RIOS'
10 employing real estate broker, solicited borrowers and negotiated to do one or more of the
11 following acts for another or others, for or in expectation of compensation; negotiated one or
12 more loans for, or perform services for, borrowers and/or lenders in connection with loans
13 secured directly or collaterally by one or more liens on real property; and charged, demanded or
14 collected an advance fee for any of the services offered.

15 6. Beginning on or about November 6, 2009, YOLANDA RIOS and
16 FRANCISCO RIOS, as representatives of GENESIS MORTGAGE SOLUTIONS and/or
17 CERTIFIED FORENSIC LOAN AUDITS, solicited Antonia P. (Antonia) in order to provide
18 loan modification and negotiation services on behalf of Antonia in connection with a loan
19 secured by real property located at 1187 King Street, Parlier, California.

20 7. On or about November 6, 2009, YOLANDA RIOS and FRANCISCO
21 RIOS, as representatives of GENESIS MORTGAGE SOLUTIONS and/or CERTIFIED
22 FORENSIC LOAN AUDITS, demanded and received an advance fee of \$1,500 from Antonia for
23 the activities described in Paragraph 6.

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1 8. Beginning on or about February 13, 2010, YOLANDA RIOS and
2 FRANCISCO RIOS, as representatives of GENESIS MORTGAGE SOLUTIONS and/or
3 CERTIFIED FORENSIC LOAN AUDITS, solicited Eva C. (Eva) in order to provide loan
4 modification and negotiation services on behalf of Eva in connection with a loan secured by real
5 property located at 4029 Anna Avenue, Keyes, California.

6 9. On or about February 13, 2010, YOLANDA RIOS and FRANCISCO
7 RIOS, as representatives of GENESIS MORTGAGE SOLUTIONS and/or CERTIFIED
8 FORENSIC LOAN AUDITS, demanded and received an advance fee of \$1,500 from Eva for the
9 activities described in Paragraph 8.

10 10. Beginning on or about June 11, 2010, YOLANDA RIOS and
11 FRANCISCO RIOS, as representatives of GENESIS MORTGAGE SOLUTIONS and/or
12 CERTIFIED FORENSIC LOAN AUDITS, solicited Javier C. (Javier) in order to provide loan
13 modification and negotiation services on behalf of Javier in connection with a loan secured by
14 real property located at 450 Sharon Court, Manteca, California.

15 11. On or about June 11, 2010 and July 30, 2010, YOLANDA RIOS and
16 FRANCISCO RIOS, as representatives of GENESIS MORTGAGE SOLUTIONS and/or
17 CERTIFIED FORENSIC LOAN AUDITS, demanded and received an advance fee totaling
18 \$1,500 from Javier for the activities described in Paragraph 10.

19 12. Beginning on or about March 12, 2010, YOLANDA RIOS and
20 FRANCISCO RIOS, as representatives of GENESIS MORTGAGE SOLUTIONS and/or
21 CERTIFIED FORENSIC LOAN AUDITS, solicited Graciela V. (Graciela) in order to provide
22 loan modification and negotiation services on behalf of Graciela in connection with a loan
23 secured by real property located at 135 Ivy Avenue, Patterson, California.

24 13. On or about March 12, 2010, YOLANDA RIOS and FRANCISCO RIOS,
25 as representatives of GENESIS MORTGAGE SOLUTIONS and/or CERTIFIED FORENSIC
26 LOAN AUDITS, demanded and received an advance fee of \$1,000 from Graciela for the
27 activities described in Paragraph 12.

1 14. Beginning on or about April 1, 2010, YOLANDA RIOS and FRANCISCO
2 RIOS, as representatives of GENESIS MORTGAGE SOLUTIONS and/or CERTIFIED
3 FORENSIC LOAN AUDITS, solicited Maricela M. (Maricela) in order to provide loan
4 modification and negotiation services on behalf of Maricela in connection with a loan secured by
5 real property located at 2016 Boise Avenue, Modesto, California.

6 15. On or about April 1, 2010 and June 10, 2010, YOLANDA RIOS and
7 FRANCISCO RIOS, as representatives of GENESIS MORTGAGE SOLUTIONS and/or
8 CERTIFIED FORENSIC LOAN AUDITS, demanded and received an advance fee totaling
9 \$2,500 from Maricela for the activities described in Paragraph 14.

10 16. Beginning on or about May 12, 2010, YOLANDA RIOS and
11 FRANCISCO RIOS, as representatives of GENESIS MORTGAGE SOLUTIONS and/or
12 CERTIFIED FORENSIC LOAN AUDITS, solicited Juan E. (Juan) in order to provide loan
13 modification and negotiation services on behalf of Juan in connection with a loan secured by real
14 property located at 109 South Fremont Street, Manteca, California.

15 17. On or about May 12, 2010, and June 24, 2010, YOLANDA RIOS and
16 FRANCISCO RIOS, as representatives of GENESIS MORTGAGE SOLUTIONS and/or
17 CERTIFIED FORENSIC LOAN AUDITS, demanded and received an advance fee totaling
18 \$2,500 from Juan for the activities described in Paragraph 16.

19 CONCLUSIONS OF LAW

20 18. Based on the findings of fact contained in paragraphs 1 through 17,
21 YOLANDA RIOS and FRANCISCO RIOS, doing business as GENESIS MORTGAGE
22 SOLUTIONS and CERTIFIED FORENSIC LOAN AUDITS, solicited one or more borrowers
23 to perform services for those borrowers and/or those borrowers' lenders in connection with loans
24 secured directly or collaterally by one or more liens on real property located within the State of
25 California, and charged, demanded or collected advance fees for the services to be provided,
26 which acts require a real estate broker license under Sections 10131(d) (real estate license
27 required for enumerated acts) and 10131.2 (real estate broker license required to charge or

1 collect an advance fee) of the Code, in violation of Sections 10130 and 10177(q) of the Code
2 and Sections 2944.7 and 2945.4 of the Civil Code.

3 19. YOLANDA RIOS and FRANCISCO RIOS, doing business as GENESIS
4 MORTGAGE SOLUTIONS and CERTIFIED FORENSIC LOAN AUDITS, used a form of
5 advance fee agreement which had not been provided to the Department for its prior review and
6 consideration, in violation of Section 10085 of the Code (prior submission of advance fee
7 materials required) and Section 2970 (details for prior submission of advance fee materials) of
8 the Regulations.

9 DESIST AND REFRAIN ORDER

10 Based on the Findings of Fact and Conclusions of Law stated herein, YOLANDA
11 RIOS and FRANCISCO RIOS, doing business as GENESIS MORTGAGE SOLUTIONS and
12 CERTIFIED FORENSIC LOAN AUDITS, whether doing business under your own name, or any
13 other name or fictitious name, ARE HEREBY ORDERED to:

14 1. Immediately desist and refrain from performing any acts within the State
15 of California for which a real estate broker license is required. In particular, you are ordered to
16 desist and refrain from soliciting borrowers and/or performing services for borrowers or lenders
17 in connection with loans secured directly or collaterally by one or more liens on real property,
18 unless and until you obtain a real estate broker license issued by the Department.

19 2. Immediately desist and refrain from charging, demanding, claiming,
20 collecting and/or receiving advance fees, as that term is defined in Section 10026 of the Code,
21 for any of the services you offer to others, unless and until you demonstrate and provide
22 evidence satisfactory to the Commissioner that you are properly licensed by the Department as a
23 real estate broker, and that YOLANDA RIOS and FRANCISCO RIOS, doing business as
24 GENESIS MORTGAGE SOLUTIONS and CERTIFIED FORENSIC LOAN AUDITS:

25 (A) Have an advance fee agreement which has been submitted to
26 the Department and which is in compliance with Sections 2970 and 2972 of the Regulations;

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1 (B) Have placed all previously collected advance fees into a trust
2 account for that purpose and are in compliance with Section 10146 of the Code;

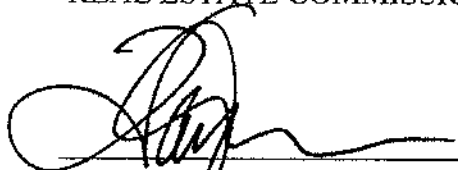
3 (C) Have provided an accounting to trust fund owner-beneficiaries
4 pursuant to Section 2972 of the Regulations; and

5 (D) Are in compliance with California law, as amended effective as
6 of October 11, 2009, with respect to loan modification and/or forbearance services. Under
7 the amended law, advance fees may be charged and collected only for loan modification or
8 other mortgage loan forbearance services related to commercial loans and loans for
9 residential properties containing five or more dwelling units.

10 3. Immediately desist and refrain from demanding, claiming, collecting and/or
11 receiving advance fees, as that term is defined in Section 10026 of the Code, in any form, and
12 under any conditions, with respect to the performance of loan modification or any other form of
13 mortgage loan forbearance services in connection with loans on residential property containing
14 four or fewer dwelling units.

15 DATED: 10/20/2012
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18 REAL ESTATE COMMISSIONER

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21 By WAYNE S. BELL
Chief Counsel

22 **- NOTICE -**

23 Business and Professions Code Section 10139 provides that "Any person acting as a real
24 estate broker or real estate salesperson without a license or who advertises using words indicating
25 that he or she is a real estate broker without being so licensed shall be guilty of a public offense
26 punishable by a fine not exceeding twenty thousand dollars (\$20,000), or by imprisonment in the
27 county jail for a term not to exceed six months, or by both fine and imprisonment; or if a
corporation, be punished by a fine not exceeding sixty thousand dollars (\$60,000)."